

ORIGINAL NEW APPLICATION
UniSourceEnergy
SERVICES



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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

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February 3, 2014

Arizona Corporation Commission
DOCKETED

FEB -3 2014

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, AZ 85007

E-04204A-14-0031

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Re: UNS Electric, Inc.
Docket No. E-04204A-14-_____
Application for Approval of Revised Rider - 3 for Net Metered Customers

UNS Electric, Inc. ("UNS Electric" or "Company") hereby submits a revised Rider -3 Market Cost of Comparable Conventional Generation ("MCCCG") Calculation for approval by the Arizona Corporation Commission ("Commission"). Rider-3 was last approved by the Commission in Decision No. 73935 (June 27, 2013) and sets the MCCCG to be used in conjunction with Rider-4 NM PRS, Net Metering for Certain Partial Requirement Services. UNS Electric proposes to revise the MCCCG rate to update the anticipated avoided cost to be used for the Annual Credit for Excess Generation as defined in Rider-4 NM-PRS. A clean and redlined version of page 2 of the UNS Electric Statement of Charges, which shows the rate, is attached.

The proposed MCCCG rate of \$0.03697 per kWh *increases* the MCCCG rate in Rider-3, which will have the effect of increasing the Credit for Excess Generation under the Company's Rider-4 NM-PRS. This credit is calculated and applied in the customer bill produced in October (September usage) or on a customer's "Final" bill.

UNS Electric requests that the Commission approve the revised Rider-3 to become effective on April 1, 2014. If you have any questions, please contact Jessica Bryne at (520) 884-3680

Sincerely,

Kimberly A. Ruht

cc: Steve Olea, Director of Utilities Division
Barbara Keene, Utilities Division

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